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Aid Packages May Threaten Budget Cut Plan

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House and Senate conferees yesterday reached final agreement on more than $12 billion worth of retroactive cuts in programs and projects funded by earlier congresses, but remained divided on several politically charged issues, such as whether to discontinue fuel subsidies for low-income people and the federal summer jobs programs for youth.

Rescinded were previous commitments totaling $6.3 billion for the Department of Housing and Urban Development; $210 million for the president's national service corps; $1.3 billion for the Environmental Protection Agency's safe drinking water grants to states and communities; $25 million for aid to Russia; $11.5 million for weatherizing homes; and $580 million for 39 federal building projects, seven of which are in the District and Maryland.

The cutting and paring went on in the shadow of this week's publicity surrounding release of House and Senate Budget committee plans to eliminate the deficit in seven years. But the slow pace of the negotiations over the spending cuts package—which has been working through Congress for two months—drove home the difficulties ahead as Congress attempts to turn the broad guidelines of the budget resolutions into legislation.

Unlike the budget resolutions, which do not have the force of law, the cuts package rescinds funds that have been committed, but not yet spent. Because of that, it will have a direct impact on programs and projects. In addition, the conferees are using it as a vehicle for providing disaster relief and other "emergency" funds.

The conferees approved measures to assist Oklahoma City recover from the April 19 bombing, and to beef up the crime-fighting ability of the Bureau of Alcohol, Tobacco and Firearms (ATF), which enforces the nation's gun laws.

Responding to requests from the Oklahoma congressional delegation, conferees earmarked $40.4 million for rebuilding or repair of the bombed Alfred P. Murrah Federal Building in Oklahoma City. Rep. Jim Lightfoot (R-Iowa) said it appeared now that the bombed building would be turned into a memorial, but that the underground parking could be retained for use by federal employees and others.

The conferees also doubled the administration's request for new funds for ATF, boosting the supplemental funding from the $16.3 million sought to $34.8 million. In addition to enabling ATF to create four full-time fast reaction teams to respond to bombings, the funds will enable the bureau to hire some 100 inspectors, improve crime laboratories, and increase security at ATF facilities.

Still unresolved yesterday was the amount of supplemental anti-terrorism funding for the FBI and Justice Department. Sen. Phil Gramm (R-Tex.), who is building his presidential candidacy in part around law-and-order themes, reportedly was seeking to add a substantial sum, but was facing budgetary constraints.

GOP budget cutters worry that savings from the spending cuts package could evaporate if the emergency relief component grows too large.

Along with the Oklahoma aid, the appropriations conferees yesterday approved $6.7 billion for federal disaster aid to California and at least 39 other states struck by earthquakes and other calamities. Although flood-ravaged areas of Texas and Louisiana have not been formally declared disaster areas, they would be eligible for aid if President Clinton makes such a determination, and yesterday Rep. Bob Livingston (R), the Louisianan who chairs the House Appropriations Committee, exhorted members to finish the bill so states could get relief.

During the day, Democrats frequently chafed at their minority status. "You've got the votes to do any damn thing you want to do," said Rep. David R. Obey (D-Wis.). Sen. Frank R. Lautenberg (D-N.J.), calling attention to his immigrant background, made an impassioned plea for the restoration of funds for a footbridge to Ellis Island from the New Jersey shore. But the request was briskly rejected.

Whatever the final size of the package, it will reflect differing views between Republican leaders in the House and Senate on how and what to cut.

A major impasse to the conclusion of negotiations has been the opposition of Sen. Arlen Specter (R-Pa.) to the House-proposed termination of the federal program that subsidizes utility bills of the poor. Presidential candidate Specter is a longtime supporter of the aid, which is popular in New Hampshire, site of the key GOP primary.

But it was the House that moved to protect $139 million worth of unspecified highway "demonstration projects" from a proposed Senate cut. House appropriators reportedly were ready to go along with the Senate in deleting the projects, a perennial pork barrel benefit for members' states and district. But Rep. Bud Shuster (R-Pa.), who chairs the Transportation and Infrastructure Committee, objected.

Appropriators feared Shuster could derail work of the conferees on the floor if his wishes were not honored.

In other action the conferees:

- Approved legislation that will streamline the harvesting of burned and diseased trees, as well as live timber in Pacific Northwest areas inhabited by the northern spotted owl, by limiting environmentalists' ability to bring lawsuits against Forest Service sales of the wood.
- Approved $250 million of debt relief for the nation of Jordan.
- Approved $12.7 million to build a swine research center in Ames, Iowa, to which Clinton recently gave his support. The House had proposed deleting the money. Once built, the facility will be turned over to Iowa State University to operate.

Livingston said he hoped negotiations would be finished today and the conference report would be sent to both chambers for ratification. Clinton has not said whether he will veto the measure, which cuts some of his prized programs but which also provides needed funds for others.